



# **Business Taxes 101**

## **THE FUNDAMENTALS**

Posted April 2011

*This PowerPoint handout is used for training purposes in conjunction with the oral presentation given by Departmental training staff.*

*It is not intended to be a stand-alone document.*

*It is not an information guide, nor does it carry regulatory or statutory authority.*

*Nebraska tax statutes, regulations, information guides, and other resources are available at [www.revenue.ne.gov](http://www.revenue.ne.gov).*



# CHANGE IN THE NEBRASKA SALES AND USE TAX DUE DATE

The sales and use tax due date will change from the **25th of the month** to the **20th of the month**.

This change will take effect:

- For monthly filers, with the October return due on November 20, 2011;
- For quarterly filers, with the 4<sup>th</sup> quarter return due on January 20, 2012; and
- For annual filers, with the 2011 annual return also due on January 20, 2012.

This change applies to the  
Nebraska and Local Sales and Use Tax Return, [Form 10](#),  
and the Business Nebraska and Local Use Tax Return, [Form 2](#).  
Nebraska and County Lodging Tax and Tire Fee returns  
remain due on the 25th of the month.

# UPDATES

- **The Department is going paperless!**
- Printing and mailing of tax forms is being reduced, and in some cases, eliminated.
-  Sign up for a free subscription service at [www.revenue.ne.gov](http://www.revenue.ne.gov) to get updates on your topics of interest.

# APPLYING FOR TAX PERMITS

The Nebraska Tax Application, [Form 20](#), is used to apply for a variety of permits for the tax programs administered by the Nebraska Department of Revenue.

This presentation will discuss:

- Nebraska Withholding; and
- Nebraska Sales and Use taxes.



# Nebraska Tax Application, Form 20, 7 through 12

## 7 Type of Ownership

- |  |   |   |
|--|---|---|
| (1) <input type="checkbox"/> Sole Proprietorship   | (5) <input type="checkbox"/> Foreign Corporation (another state or country) | (9) <input type="checkbox"/> Nonprofit Organization     |
| (2) <input type="checkbox"/> Partnership           | (6) <input type="checkbox"/> S Corporation                                  | (10) <input type="checkbox"/> Cooperative _____         |
| (3) <input type="checkbox"/> Nonprofit Corporation | (7) <input type="checkbox"/> Governmental                                   | (11) <input type="checkbox"/> Limited Liability Company |
| (4) <input type="checkbox"/> Corporation           | (8) <input type="checkbox"/> Fiduciary (Estate or Trust)                    |   |

## 8 Accounting Basis

- (1)  Cash  
 (2)  Accrual  
 (3)  Other \_\_\_\_\_

## 9 Accounting Period (Type of Year) (see instructions)

- (1)  Calendar – January 1 to December 31  
 (2)  Fiscal – 12 Month Ending \_\_\_\_\_  
 (3)  Fiscal – 52 or 53 Week Ending \_\_\_\_\_

## 10 Location of Records

- (1)  Same as Location Address  
 (2)  Same as Mailing Address  
 (3)  Other Address (provide below)

\_\_\_\_\_ Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

## 11 Reason for Filing Application – Check Appropriate Boxes. If Box 3 is checked, you must cancel your old Nebraska ID number.

- |   |  |   |
|---|--|---|
| (1) <input type="checkbox"/> Original Application | (3) <input type="checkbox"/> Changed Business Entity (indicate Nebraska ID number of previous entity): _____ | (4) <input type="checkbox"/> Renewal-Cigarette Dealers Only |
| (2) <input type="checkbox"/> Change in Partners   | From -   | (5) <input type="checkbox"/> Add Tax Program                |
|   | To -   | (6) <input type="checkbox"/> Other (attach explanation)     |
|   | <input type="checkbox"/> Sole Proprietorship   | <input type="checkbox"/> Sole Proprietorship                |
|   | <input type="checkbox"/> Partnership   | <input type="checkbox"/> Partnership                        |
|   | <input type="checkbox"/> Limited Liability Company   | <input type="checkbox"/> Limited Liability Company          |
|   | <input type="checkbox"/> Corporation   | <input type="checkbox"/> Corporation                        |

## 12 Provide a description of your business operations and products or services sold.

a. Primary business type:  Retailer  Lessor  Wholesaler  Manufacturer  Other

If you marked "Lessor", do you lease motor vehicles to others for periods of longer than 31 days?  YES  NO

b. If your business does not operate year-round, identify the months you operate. \_\_\_\_\_

c. How many business establishments do you operate: in Nebraska? \_\_\_\_\_ in U.S.A.? \_\_\_\_\_

d. If you purchased an existing business, identify the previous owner.

\_\_\_\_\_ Name \_\_\_\_\_ Address \_\_\_\_\_ City \_\_\_\_\_ Zip Code \_\_\_\_\_ Nebraska ID Number \_\_\_\_\_

COMPLETE REVERSE SIDE

# Nebraska Tax Application, Form 20, 13 and 14 (back side)

Read the attached Nebraska Licensing Requirements and complete the information for all tax programs for which you need to be licensed.

If you need to report a liability for periods prior to the date of this application, enter the earliest date (month, day, year) for which you need a return.

## 13 SALES AND USE TAX (NO FEE)

Month/Day/Year

- Sales Tax Permit — Enter the date of your first sale.....
- a. Select a filing frequency based on your estimated annual state sales tax liability:
- (1)  \$3,000 or more (monthly)      (2)  \$900 to \$2,999 (quarterly)      (4)  Less than \$900 (annual)
- b. If you have more than one licensed location, your returns will be filed:
- (1)  Separate for each location      (2)  Combined for all locations (monthly e-filing is required), file application [Form 11](#).
- Use Tax Permit — Enter the date of your first purchase .....
- a. If a sales tax permit has been applied for, do not check this box since use tax is to be reported on the sales tax return.
- b. Select a filing frequency based on your estimated annual state use tax liability:
- (1)  \$3,000 or more (monthly)      (2)  \$900 to \$2,999 (quarterly)      (4)  Less than \$900 (annual)

Month/Day/Year

## 14 WITHHOLDING AND INCOME TAX (NO FEE)

Month/Day/Year

- Income Tax Withholding — Enter the date of the first wages paid.....
- a. Will your average Nebraska monthly withholding exceed \$500?..... (1)  YES       NO
- b. 1. Will your **annual** state income tax withholding be less than \$500 per year? .....  YES       NO
2. Have you been allowed to file federal withholding returns annually?.....  YES       NO
- If you answered YES to either of the questions in "b," mark filing frequency preference..... (2)  Quarterly      (4)  Annually
- c. Withholding tax returns will be filed:
- (1)  For each separate location      (2)  Consolidated for all locations      (3)  Consolidated by region or district
- d. Will you have a payroll service prepare your returns?  YES (If YES, attach a [Power of Attorney, Form 33.](#))       NO
- e. Additional business operations employing Nebraska residents (Attach additional sheet if necessary.)

Nebraska ID Number	Business Name	Location Address, City, State, Zip Code

(Enter Beginning Date)  
Month/Day/Year

- Corporate Income Tax.....
- Are you an S Corporation? ..... (3)  YES       NO
- Partnership Income Tax .....
- Fiduciary Income Tax.....
- Financial Institution Tax (indicate type of institution).....
- (1)  Bank      (3)  Credit Union
- (2)  Savings and Loan      (4)  Other (specify): \_\_\_\_\_

# Nebraska Tax Application, Form 20, 15 and 16 (back side)

(Enter Date of  
First Transaction)  
Month/Day/Year

## 15 MISCELLANEOUS TAX PROGRAMS

Tire Fee Permit ..... \_\_\_\_\_

Select a filing frequency based on your estimated annual taxable tire sales:

(1)  3,000 tires or more (monthly)      (2)  900 – 2,999 tires (quarterly)      (4)  Less than 900 tires (annual)

Lodging Tax Permit ..... \_\_\_\_\_

Select a filing frequency based on your estimated annual taxable sales:

(1)  \$10,000 or more (monthly)      (4)  Less than \$10,000 (annual)

Litter Fee License ..... \_\_\_\_\_

If you have more than one licensed location, you must file a combined litter fee return. File application [Form 11](#).

Severance and Conservation ..... \_\_\_\_\_

### Programs Requiring Fees:

Month/Day/Year

Wholesale Cigarette Dealer's Permit — \$500 Fee & \$1,000 Bond Required (ENCLOSE PAYMENT & BOND) ... \_\_\_\_\_

License to Transport Unstamped Cigarettes — \$10 Fee & \$1,000 Bond Required (ENCLOSE PAYMENT & BOND) \_\_\_\_\_

Tobacco Products License — \$25 Fee (ENCLOSE PAYMENT) ..... \_\_\_\_\_

You do not need this license if tobacco products (not including cigarettes) are purchased from a supplier who has a Nebraska Tobacco Products License.

a. Foreign corporations must attach the "Acknowledgement of Filing" copy of the NE Certificate of Authority.

b. Noncorporate persons must designate a Nebraska resident agent.

## 16 Person to contact regarding this application

Authorized Contact Person (please print)      Title      E-Mail Address      Telephone Number

Under penalties of law, I declare that I have examined this application, and to the best of my knowledge and belief, it is correct and complete.

**sign  
here** ▶

Signature of Owner, Partner, Member, Corporate Officer, or  
Person Authorized by Attached Power of Attorney      Title      Date      Telephone Number

**You may fax this form to (402) 471-5927.**

Mail this application to: **NEBRASKA DEPARTMENT OF REVENUE, PO BOX 98903, LINCOLN, NE 68509-8903.**

**www.revenue.ne.gov, (800) 742-7474 (Nebraska and Iowa), (402) 471-5729**

# NEBRASKA WITHHOLDING TAX

**If...** you are considered an employer for federal purposes **AND** you have employees earning wages in Nebraska...

**...then** wages earned by your employees in Nebraska are subject to Nebraska withholding.

# Nebraska Withholding Tax (continued)

- [Federal Form W-4](#)

Determine the number of exemptions allowed for federal and state withholding.

- [Nebraska Circular EN](#)

Calculate the amount to be withheld from employees' paychecks.

- [Nebraska 941N](#)

Report Nebraska withholding.

- [Nebraska 501N](#)

Make monthly deposits when required.

# REPORTING NEBRASKA WITHHOLDING

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- Every employer must file a [Form 941N](#) each quarter, unless they are an annual filer.
- The Form 941N is due on the last day of the month following the end of the quarter.

# Nebraska Withholding Tax (continued)

- Special Withholding Procedures:
  - If you employ 25 or more employees,
  - You must withhold at least 1.5% of gross wages less qualified deductions,
  - **Unless** the employee provides evidence that a lesser amount of withholding is appropriate.

*See the tax tables in the [Circular EN](#).*

*Non-shaded areas show at least 1.5%; if in a shaded area, get documentation or withhold 1.5%.*

# Nebraska Withholding Return, Form 941N, 1 through 8



## Nebraska Withholding Return

- Read instructions on reverse side.
- Please use e-file and e-pay at [www.revenue.ne.gov](http://www.revenue.ne.gov).

FORM  
**941N**

Nebraska ID Number

Reporting Period

Due Date

PLEASE DO NOT WRITE IN THIS SPACE

NAME AND LOCATION ADDRESS

NAME AND MAILING ADDRESS

- If you are not licensed to report withholding, or are changing name and/or address information, see instructions.  
 Check this box if you no longer make payments subject to withholding in Nebraska. Do not check this box if you are only changing payroll services.

1 Nebraska wages, tips, other compensation, gambling winnings, pensions and annuities, nonresident personal services, and construction services subject to Nebraska withholding.....	1		00
2 Nebraska income tax withheld for the reporting period identified above.....	2		
3 Adjustments of income tax withheld for preceding quarters of calendar year, if applicable. Do not adjust withholding for any previous year or report deposits on this line.....	3		
4 Adjusted total (line 2 plus or minus line 3) .....	4		
5 Nebraska incentive withholding credits (see instructions – if none, enter -0-) .....	5		
6 Subtotal (line 4 minus line 5).....	6		
7 First monthly deposit.....	7		
8 Second monthly deposit.....	8		

# Nebraska Withholding Return, Form 941N, 9 through 13

9 Total tax due (line 6 minus lines 7 and 8) .....	9		
10 Penalty (see instructions) .....	10		
11 Interest (            % per year of line 9 amount if filed after due date) .....	11		
12 Previous balance with payments received through	12		
<input type="checkbox"/> Check this box if your payment is being made by electronic funds transfer (EFT).			
13 BALANCE DUE (total of lines 9 through 12). Pay in full with return .....	13		

Under penalties of perjury, I declare that, as taxpayer or preparer, I have examined this return and, to the best of my knowledge and belief, it is correct and complete.

<b>sign here</b>	_____	_____	_____	_____
	Authorized Signature	Date (    )	Signature of Preparer Other than Taxpayer	Date (    )
	_____	_____	_____	_____
	Title	Daytime Phone	Address	Daytime Phone
_____		Preparer's PTIN		
	E-Mail Address			

E-file and e-pay, or mail this return and remit payment. If required, payment must be made by electronic funds transfer (EFT).

**NEBRASKA DEPARTMENT OF REVENUE, PO BOX 98915, LINCOLN, NE 68509-8915**

**www.revenue.ne.gov, (800) 742-7474 (NE and IA), (402) 471-5729**

**RETAIN A COPY FOR YOUR RECORDS.**

8-009-1967 Rev. 2-2011 Supersedes 8-009-1967 Rev. 2-2010

# Nebraska Monthly Withholding Deposit, Form 501N

 <b>Nebraska Department of REVENUE</b>	<h2 style="margin: 0;">Nebraska Monthly Withholding Deposit</h2>	<b>FORM 501N</b>
NAME AND LOCATION ADDRESS		NAME AND MAILING ADDRESS
PLEASE DO NOT WRITE IN THIS SPACE <div style="display: flex; justify-content: center; gap: 20px;"> <span style="border: 1px solid black; padding: 5px 15px; background-color: yellow;">RESET</span> <span style="border: 1px solid black; padding: 5px 15px; background-color: yellow;">PRINT</span> </div>		
Nebraska ID Number	Deposit for Month of	Due Date
Nebraska income tax withheld this period. (Do not file this form if you are making payments electronically.) Please pay this amount.....		\$ <span style="border: 1px solid black; display: inline-block; width: 40px; height: 20px; vertical-align: middle;"></span>
Under penalties of perjury, I declare that, as taxpayer or preparer, I have examined this deposit, and to the best of my knowledge and belief, it is correct and complete.		
<b>sign here</b>	_____ Authorized Signature	(    ) _____ Daytime Phone
_____ Title	_____ Date	_____ Signature of Preparer Other Than Taxpayer
_____ E-Mail Address	_____ Address	(    ) _____ Daytime Phone
_____ Date	_____ Date	

*Employers withholding \$500 or more per month must file a Form 501N to make monthly deposits in addition to filing their quarterly Form 941N.*

# NEBRASKA SALES TAX BASICS

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1. Sales tax is a transactional tax imposed on the sales transaction rather than on the item sold.
2. Sales tax is calculated on the seller's gross receipts from the sale.
3. Delivery location determines the rate of local tax.
4. Sellers must collect sales tax or document why they didn't.
5. Use tax should be reported when sales tax is not paid.

# Nebraska Sales Tax Basics (continued)

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A **SALE** is:

- the transfer of title or possession
- of an item or taxable service
- for a consideration.

# COLLECTING SALES TAX

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- Collected by the seller as an agent for the State
- Trust fund belonging to the citizens of Nebraska
- Must have a Sales Tax Permit
- Collection Fee

# Collecting Sales Tax (continued)

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- Sales tax is calculated on the gross receipts.
- The delivery location determines the rate of local tax.
- ALL transactions are presumed taxable.

# Collecting Sales Tax (continued)

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Sellers must collect the tax  
– OR –  
document why they did not.

# DOCUMENTING EXEMPT SALES

- [Form 13](#)
- Sellers keep completed copies of Form 13.
- “Blanket” form is valid until revoked in writing by the purchaser.

# FORM 13, SECTION A – RESALE CERTIFICATE

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- Purchases for resale.
- Items becoming a component part of the product to be resold.

# Form 13, Section A



## Nebraska Resale or Exempt Sale Certificate

for Sales Tax Exemption

• Read instructions on reverse side/see note below

**RESET FORM**

FORM  
**13**

NAME AND MAILING ADDRESS OF PURCHASER			NAME AND MAILING ADDRESS OF SELLER		
Name			Name		
Street or Other Mailing Address			Street or Other Mailing Address		
City	State	Zip Code	City	State	Zip Code

**Check Type of Certificate**

Single Purchase

Blanket

If blanket is checked, this certificate is valid until revoked in writing by the purchaser.

**I hereby certify that the purchase, lease, or rental by the above purchaser is exempt from the Nebraska sales tax for the following reason:**

**Check One**

Purchase for Resale (Complete Section A)

Exempt Purchase (Complete Section B)

Contractor (Complete Section C)

### SECTION A — Nebraska Resale Certificate

Description of Item or Service Purchased

I hereby certify that the purchase, lease, or rental of  
from the above seller is exempt from the Nebraska sales tax as a purchase for resale, rental, or lease in the normal course of our business, either in the  
form or condition in which purchased, or as an ingredient or component part of other property to be resold.

I further certify that we are engaged in business as a:  Wholesaler  Retailer  Manufacturer  Lessor  
of Description of Product Sold, Leased, or Rented

If None, State Reason

and hold Nebraska Sales Tax Permit Number 01-

or Foreign State Sales Tax Number

State

For more detailed information, refer to the [Form 13 instructions](#).

# FORM 13, SECTION B – EXEMPT SALE CERTIFICATE

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- From certain governmental units
- From certain exempt organizations
- Parts for vehicles used in a common or contract carrier capacity
- Qualified manufacturing machinery and equipment (MME)
- Occasional sales

# Form 13, Section B



## Nebraska Resale or Exempt Sale Certificate

FORM  
13

for Sales Tax Exemption

• Read instructions on reverse side/see note below

**RESET FORM**

NAME AND MAILING ADDRESS OF PURCHASER			NAME AND MAILING ADDRESS OF SELLER		
Name			Name		
Street or Other Mailing Address			Street or Other Mailing Address		
City	State	Zip Code	City	State	Zip Code

### Check Type of Certificate

Single Purchase

Blanket

If blanket is checked, this certificate is valid until revoked in writing by the purchaser.

I hereby certify that the purchase, lease, or rental by the above purchaser is exempt from the Nebraska sales tax for the following reason:

Check One

Purchase for Resale (Complete Section A)

Exempt Purchase (Complete Section B)

Contractor (Complete Section C)

### SECTION B — Nebraska Exempt Sale Certificate

The basis for this exemption is exemption category \_\_\_\_\_ (Insert appropriate category as described on reverse of this form.)

If exemption category 2 or 5 is claimed, enter the following information:

Description of Item(s) Purchased

Intended Use of Item(s) Purchased

If exemption categories 3 or 4 are claimed, enter the Nebraska Exemption Certificate number. 05-

If exemption category 6 is claimed, seller must enter the following information and sign this form below:

Description of Item(s) Sold

Date of Seller's Original Purchase

Was Tax Paid when Purchased by Seller?

Was Item Depreciable?

YES  NO

YES  NO

For more detailed information, refer to the [Form 13 instructions](#).

# REPORTING SALES TAX

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- File a [Form 10](#)
- Electronic or paper options
- A return must be filed even if there are no sales to report!

# Nebraska and Local Sales and Use Tax Return, Form 10, 1 through 7



## Nebraska and Local Sales and Use Tax Return

FORM  
**10**

- If applicable, complete Schedule I on reverse side.
- See optional Nebraska Net Taxable Sales and Use Tax Worksheets.

Tax Category | Nebraska ID Number | Rpt.Code | Tax Period

PLEASE DO NOT WRITE IN THIS SPACE

Due Date:

NAME AND LOCATION ADDRESS

NAME AND MAILING ADDRESS

- Name, address, or ownership changes? See instructions.

Check this box if your business has permanently closed, has been sold to someone else, or your permit is no longer needed.  
New owners must apply for their own sales tax permit.

1	Gross sales and services (see instructions).....			1		00
2	Net taxable sales (see instructions).....			2		00
3	Nebraska sales tax (line 2 multiplied by .055) .....			3		
4	Nebraska use tax (see instructions) .....	4				
5	Local use tax from line 1, Nebraska Schedule I.....	5				
6	Local sales tax from line 2, Nebraska Schedule I .....			6		
7	Total Nebraska and local sales tax (line 3 plus line 6).....			7		

**Complete Nebraska Schedule I prior to completing lines 5 & 6.**

# Nebraska and Local Sales and Use Tax Return, Form 10, 8 through 13

8 Sales tax collection fee (line 7 multiplied by .025; if the result is \$75.00 or more, enter \$75.00) .....	8		
9 Sales tax due (line 7 minus line 8).....	9		
10 Total Nebraska and local use tax (line 4 plus line 5) .....	10		
11 Total Nebraska and local sales and use tax due (line 9 plus line 10) .....	11		
12 Previous balance with applicable interest at % per year and payments received through	12		

Check this box if your payment is being made electronically.

13 BALANCE DUE (line 11 plus or minus line 12). Pay in full with return .....	13		
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Under penalties of law, I declare that as taxpayer or preparer I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is correct and complete.

**sign here** \_\_\_\_\_ ( ) \_\_\_\_\_  
 Authorized Signature Title Daytime Phone Date E-Mail Address

**paid preparer's use only** \_\_\_\_\_  
 Preparer's Signature Date Preparer's Social Security Number or PTIN

\_\_\_\_\_ ( ) \_\_\_\_\_  
 Print Firm's Name (or yours if self-employed), Address and Zip Code EIN Daytime Phone

INTERNET FILERS — DO NOT MAIL A PAPER RETURN. Visit: [www.revenue.ne.gov](http://www.revenue.ne.gov) to e-file this return!

For tax assistance, call (800) 742-7474 (toll free in NE & IA) or (402) 471-5729.

**THIS RETURN IS DUE ON OR BEFORE THE 25<sup>TH</sup> DAY OF THE MONTH FOLLOWING THE TAX PERIOD INDICATED ABOVE.**

**Mail this return and payment to: NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 98923, LINCOLN, NE 68509-8923.**

# Form 10, Optional Worksheets

## Sales Tax



### Nebraska Net Taxable Sales and Use Tax Worksheets

- The online version of these worksheets expands for detailed information. To see this information, complete these [worksheets](#) online.

FORM 10  
Worksheets

#### NEBRASKA NET TAXABLE SALES WORKSHEET

1. Gross Sales and Services in Nebraska [Reg. 1-007](#). Enter on line 1, Form 10 .....

#### ALLOWABLE EXEMPTIONS AND DEDUCTIONS FROM GROSS SALES

A. Sales of nontaxable services as shown in [Reg. 1-012](#) .....

B. Sales of items or taxable services sold for resale as shown in [Reg. 1-013](#) .....

C. Sales to exempt purchasers as shown in [Reg. 1-012](#) .....

D. Sales of exempt items or services as shown in [Reg. 1-012](#) .....

E. Exempt sellers as shown in [Reg. 1-012](#) .....

F. Use-based exemptions as shown in [Reg. 1-012](#) .....

G. Other allowable deductions (see our website for a list of allowable deductions and the applicable regulations) .....

H. Total allowable exemptions and deductions (A through G) .....

2. Net Taxable Sales (line 1 minus line H). Enter on line 2, Form 10 .....

# Form 10, Optional Worksheets

## Use Tax

### NEBRASKA USE TAX WORKSHEET

1. Cost of items and taxable services purchased for use in Nebraska on which tax was not paid as shown in <a href="#">Reg. 1-002</a> .....	<input type="text"/>
2. Cost of items withdrawn from inventory for personal or business use as shown in <a href="#">Reg. 1-002</a> .....	<input type="text"/>
3. Total amount subject to Nebraska use tax (line 1 plus line 2) .....	<input type="text"/>
4. Nebraska use tax (line 3 multiplied by the rate identified on line 3, Form 10) .....	<input type="text"/>
5. Credit for tax paid to other states on items in line 4 as shown in <a href="#">Reg. 1-002</a> .....	<input type="text"/>
6. Nebraska Use Tax Due (line 4 minus line 5). Enter on line 4, Form 10.....	<input type="text"/>

# Form 10, Schedule I

## NEBRASKA SCHEDULE I — Local Sales and Use Tax

CITY	CODE	RATE	USE TAX	SALES TAX
COUNTY	CODE	RATE	USE TAX	SALES TAX
1 Total of amounts entered in the use tax column (enter here and on line 5, Form 10) .....			1	
2 Total of amounts entered in the sales tax column (enter here and on line 6, Form 10) .....			2	

## NEBRASKA SCHEDULE I-MVL — Motor Vehicle Leases for Periods of More Than 31 Days

• Only to be completed by those who are leasing motor vehicles to others for periods of more than 31 days.

1 Enter the amount of state tax included on Form 10, line 3, that was reported on long-term leases (more than 31 days) of motor vehicles (see instructions).....(Code 600-600)	1	
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6-002-1967 Rev. 5-2010 Supersedes 6-002-1967 Rev. 8-2008

Please refer to the following date-specific forms:  
[Form 10, Schedule I \(1/1/2010 to 3/31/2010\)](#); and  
[Form 10, Schedule I \(4/1/2010 to 12/31/2010\)](#).

# USE TAX

- Due **ONLY** when Nebraska sales tax has not been paid on a taxable item or service purchased for use in Nebraska
- **Not a duplication** of sales tax
- The difference is **who** remits the tax:
  - Sales tax is remitted by the seller.
  - Use tax is remitted by the purchaser/consumer.

# Use Tax (continued)

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- Use tax and sales tax have these things in common:
  - Calculated at the same rate;
  - Imposed on the same transactions; and
  - Have the same exemptions.

# Use Tax (continued)

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- Often due when purchases are made from an **out-of-state seller**.
  - Internet, catalog, mail order
  - Magazines and journals by subscription
- Due when the seller withdraws **tax-free inventory** for business or personal use.
  - Auto mechanic
  - Hair salon

# Use Tax (continued)

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- If you have no use tax liability during a reporting period, you **MUST enter a ZERO** in Lines 4, 5, and 10 of Form 10 when filing the paper return.
- **Online Form 10 DEFAULTS TO ZERO!**

# REPORTING USE TAX

- Businesses that hold a Nebraska Sales Tax Permit report use tax on [Form 10](#).
- To help calculate use tax, start with the worksheet.

NEBRASKA USE TAX WORKSHEET	
1. Cost of items and taxable services purchased for use in Nebraska on which tax was not paid as shown in <a href="#">Reg. 1-002</a> .....	<input type="text"/>
2. Cost of items withdrawn from inventory for personal or business use as shown in <a href="#">Reg. 1-002</a> .....	<input type="text"/>
3. Total amount subject to Nebraska use tax (line 1 plus line 2) .....	<input type="text"/>
4. Nebraska use tax (line 3 multiplied by the rate identified on line 3, Form 10) .....	<input type="text"/>
5. Credit for tax paid to other states on items in line 4 as shown in <a href="#">Reg. 1-002</a> .....	<input type="text"/>
6. Nebraska Use Tax Due (line 4 minus line 5). Enter on line 4, Form 10.....	<input type="text"/>

# Form 10, Schedule I

## NEBRASKA SCHEDULE I — Local Sales and Use Tax

CITY	CODE	RATE	USE TAX	SALESTAX
COUNTY	CODE	RATE	USE TAX	SALESTAX
1 Total of amounts entered in the use tax column (enter here and on line 5, Form 10).....			1	
2 Total of amounts entered in the sales tax column (enter here and on line 6, Form 10) .....			2	

### NEBRASKA SCHEDULE I-MVL — Motor Vehicle Leases for Periods of More Than 31 Days

• Only to be completed by those who are leasing motor vehicles to others for periods of more than 31 days.

1 Enter the amount of state tax included on Form 10, line 3, that was reported on long-term leases (more than 31 days) of motor vehicles (see instructions).....(Code 600-600)	1	
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6-002-1967 Rev. 5-2010 Supersedes 6-002-1967 Rev. 8-2008

# Nebraska and Local Sales and Use Tax Return, Form 10



## Nebraska and Local Sales and Use Tax Return

FORM  
10

- If applicable, complete Schedule I on reverse side.
- See optional Nebraska Net Taxable Sales and Use Tax Worksheets.

Tax Category | Nebraska ID Number | Rpt. Code | Tax Period

PLEASE DO NOT WRITE IN THIS SPACE

Due Date:

NAME AND LOCATION ADDRESS

NAME AND MAILING ADDRESS

• Name, address, or ownership changes? See instructions.

Check this box if your business has permanently closed, has been sold to someone else, or your permit is no longer needed.  
New owners must apply for their own sales tax permit.

1	Gross sales and services (see instructions) .....	1		00
2	Net taxable sales (see instructions) .....	2		00
3	Nebraska sales tax (line 2 multiplied by .055) .....	3		
4	Nebraska use tax (see instructions) .....	4		
	Complete Nebraska Schedule I prior to completing lines 5 & 6.			
5	Local use tax from line 1, Nebraska Schedule I .....	5		
6	Local sales tax from line 2, Nebraska Schedule I .....	6		
7	Total Nebraska and local sales tax (line 3 plus line 6) .....	7		
8	Sales tax collection fee (line 7 multiplied by .025; if the result is \$75.00 or more, enter \$75.00) .....	8		
9	Sales tax due (line 7 minus line 8) .....	9		
10	Total Nebraska and local use tax (line 4 plus line 5) .....	10		
11	Total Nebraska and local sales and use tax due (line 9 plus line 10) .....	11		
12	Previous balance with applicable interest at % per year and payments received through	12		



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